2004-2005

Priority 1: First-time Applicants

Guidelines and Application

Community Scholarship Matching Grant Program

Higher Education Coordinating Board 917 Lakeridge Way, P.O. Box 43430 Olympia, Washington 98504 360 -753 -7846

Deadline: April 15, 2005



FIRST-TIME APPLICANTS MATCHING GRANT PROGRAM GUIDELINES

INTRODUCTION AND PURPOSE

The state-funded Community Scholarship Matching Grant Program provides \$2,000 matching awards as an incentive for non-profit, community-based organizations to raise local dollars for college scholarships. Funding is available for 123 grants for the 2004-2005 year. Organizations that have not previously received the matching grant receive highest priority.

The matching grant is intended primarily as an incentive to encourage communities to establish non-profit scholarship organizations for the purpose of raising local funds and awarding local scholarships. The grants are expected to encourage community support for higher education and are an expression of the state's interest in supporting local scholarship fundraising efforts.

The matching grant model creates opportunities for local residents to serve their communities in a way that benefits young people, who are just beginning their adult lives, and the many adults in the community who, for reasons of employment displacement, health concerns and family commitments, are just now re-entering the education system. A local community scholarship program also provides a vehicle for local residents who want to give money to the community.

Dollars for Scholars® is a national program of *Scholarship America*, the nation's largest non-profit private sector scholarship and educational support organization. Located in the Seattle area, the staff members of Washington Dollars for Scholars have provided resource materials, technical support and on-site assistance to over 120 Washington communities that were interested in forming local scholarship foundations. State law gives preference to organizations that affiliate and are in good standing with *Washington Dollars for Scholars*.

PRIORITIES FOR THE 2004-2005 YEAR

For the 2004-2005 year, the Higher Education Coordinating Board has established three priority groups. Filling out the attached application qualifies the organization for consideration under the **Priority One** group.

Priority One

Eligible organizations that have not previously received the matching grant.

Priority Two

Previous recipients of the matching grant who wish to raise additional dollars for a scholarship endowment fund.

Priority Three

Previous recipients of the matching grant who wish to raise additional dollars for student scholarships.

ELIGIBLE ORGANIZATIONS

To be eligible for a matching grant, a community organization must:

- Establish or have a community-based higher education scholarship program and between April 1, 2004 and April 15, 2005, have raised at least \$2,000 in new money for student scholarships. (\$2,000 must have been raised at the time application is submitted.) New money does not include endowment or other investment interest.
- Obtain or have tax exempt status under section 501(c)(3) of the Internal Revenue Service Code. (There are many tax-exempt IRS categories. The 501(c)(3) is the exemption for charitable organizations.)
- Award student scholarships without regard to age, sex, marital status, race, creed, color, religion, national origin, or the presence of any mental, sensory, or physical handicaps.

If your organization does not yet meet these minimum eligibility criteria, you may use the Organizational Guide in this packet to assist you in becoming an eligible community organization, or you can organize by becoming a chapter affiliate of Washington Dollars for Scholars.

APPLICATION AND SELECTION PROCEDURES

Within priority groups, organizations will be selected on a first-come, first served basis until the April 15, 2005 deadline. Preference is given to those organizations that affiliate with Dollars for Scholars. All eligible organizations in Priority 1 will be awarded before proceeding to Priority 2, etc. until all funds are expended. A complete application will include the following:

- ✓ A completed matching grant application.
- ✓ A copy of the organization's approved by-laws.
- ✓ A list of names, addresses, and occupations for the Board members of the organization.
- ✓ A copy of the community organization's IRS 501(c)(3) tax exemption letter or CSFA tax-exemption letter. (It is the organization's responsibility to document its IRS exemption.)
- ✓ A copy of the community organization's student scholarship application form and a written methodology statement used for recipient selection.
- ✓ Copies of bank statements or other documents verifying a minimum of \$2,000 raised for student scholarships since April 1, 2004. Documents indicating both beginning and ending dates of this fundraising are required.

GRANT DISBURSEMENT AND REPORTING

The Higher Education Coordinating Board will disburse the \$2,000 matching grants to the community-based scholarship organizations as they are selected.

Organizations that receive matching funds are expected to name awardees for both their \$2,000 match and the state's \$2,000 grant, for a minimum of \$4,000, during the current academic year for student use in the following year. The state's share should be awarded to students planning to enroll in higher education institutions *in Washington*.

The Higher Education Coordinating Board (HECB) will include a reporting form when it disburses the matching grant. Please complete and return the report to the HECB by June 15, 2005. The report will document the scholarships awarded to students from both the state grant and the community organization's match. A sample report is included in this packet.

HECB Contact: Dawn Cypriano-McAferty, Program Manager Phone: (360) 753-7846

ORGANIZATIONAL GUIDE FOR 501(c)(3) TAX EXEMPT STATUS

The following is a guide to basic procedures for community groups which wish to either develop a community scholarship organization independently or through affiliation with Washington Dollars for Scholars.

WASHINGTON DOLLARS FOR SCHOLARS (WDS)

 Contact WDS for information on how your group, whether newly forming or already providing scholarships, can become a Dollars for Scholars affiliate.

Washington Dollars for Scholars 1808 Richards Road SE, #119 Bellevue, WA 98005 1 (800) 335-4512 mail@wadollarsforscholars.org

- Complete simple affiliation forms and pay a \$250
 affiliations fee. (There are also annual dues and
 reporting obligations. See Community Scholarship
 Matching Grant brochure insert or contact WDS for
 more information
- 3. For newly formed groups, WDS will provide formal charter and IRS non-profit, tax-exempt status through a group exemption. WDS will also assist your group with establishing bylaws, Board of Directors and committees (i.e. fundraising, publicity, recipient selections, etc.)
- Raise at least \$2,000 from throughout the community. WDS affiliates receive a fundraising manual and can participate in joint WDS fundraising events to assist in their fundraising efforts.
- 5. Affiliation with Dollars for Scholars satisfies the requirement to file Articles of Incorporation with the Secretary of State's Office.

COMMUNITY SELF-HELP OR DO-IT YOURSELF

- Form a steering committee of interested parties to write by-laws.
- 2. Form a Board of Trustees, elect officers, and form standing committees (such as publicity, fund-raising, and scholarship selection).
- 3. Apply for nonprofit corporation status from state. (Required for seeking 501(c)(3) IRS status).

The Secretary of State's Office has provided us with a supply of Articles of Incorporation Forms for the convenience of this program. You may request this form by calling our office at (360) 753-7846. Complete the form and return it to the Secretary of State's office with the \$30 filing fee. Time to process is two weeks. Annual reporting required (\$10 fee). The form is also accessible through their web site at: secstate@wa.gov

4. Apply for 501(c)(3) tax-exempt status from the IRS. It may take several months to a year for approval.

Most local IRS offices will have copies of the necessary forms. You may also call 1(800)829-3676 to request the following: 1023-Application, 8718-Payment of Fee, SS-4-Employer Identification Number.

Filing fee: \$150 for organizations grossing not more than \$10,000 annually or \$465 for organizations exceeding \$10,000 annually.

Approved State Articles of Incorporation must be attached to the completed application. For specific 501(c)(3) application questions, call (202) 611-7487 (WA, D.C.).

- 5. Prepare scholarship guidelines and applications.
- 6. Begin community publicity and fundraising for scholarships.

In addition, after raising funds an organization should register with the Secretary of State as a charitable organization, unless funds raised during the accounting year are less than \$5,000 and all activities of the organization are carried out by people who are not paid for their services. The charitable organization registration fee of \$20 is waived if filed with Nonprofit Articles of Incorporation. Annual reporting and \$10 fee are required. Phone 1-800-332-GIVE. (Organizations that obtained their 501(c)(3) ruling through affiliation with Dollars for Scholars are exempt from this reporting obligation. Washington Dollars for Scholars submits this report on behalf of its members.)

Note: There are several IRS codes for tax-exempt organizations. Only those organizations with a 501(c)(3) exemption are eligible for this program.

WASHINGTON STATE COMMUNITY SCHOLARSHIP MATCHING GRANT PROGRAM AWARD REPORT 2004 - 2005

Name of Organi		EIN#					
		SCHOLARSHIPS A	WARDED				
Student Name	Street, City & Zip	Date of Award	Award Amount	Award Fund Local Dollars	Source- State Grant	Selected Institution	
		AM	PI	Œ			
Foundation grant. total at least \$4,000	e awarded scholarships by June 15, 20 I understand that to fulfill the obligati (\$2,000 from the matching grant and e attending higher education institution	ons related to the receipt o \$2,000 from locally raised	f the matching	grant, this rep	ort must reflect s	cholarship awards, which	
Signature of Designa	nted Organization Board Official	Title				Date	
Please return comple	eted form no later than June 20, 2005 t	to:					

Community Scholarship Matching Grant Program Higher Education Coordinating Board 917 Lakeridge Way, PO Box 43430 Olympia, Washington 98504-3430

STATE OF WASHINGTON Community Scholarship Matching Grant Application

PRIORITY ONE FIRST-TIME APPLICANTS ONLY 2004 - 2005

Contact Person (Please print or type) Official Name of Organization		Phone EIN or Fed ID#			
CHECK HERE IF DOLLARS FOR SCHOL	ARS AFFILIATE IN GOOD S	TANDINGS			
elected Officers:					
resident	Phone (Home)	Ph	one (Work)		
treet Address	City	State	Zip		
reasurer	Phone (Home)	Ph	one (Work)		
treet Address	City	State	Zip		
Statement of Organization Purpose:					
Date of State Incorporation:(Not required for Dollars for Scholars applications)	ants.)				

	•	thing scholarship dollars, the ach activity. Additional activities	,			
	Activity	<u>Dates</u>			Amount Raised	
_			· _			
_				*7		
8.	Were any of these fundraising activ	• •			[] No	
	If yes, explain the extent:					
9.	Student Scholarship Selection:					
 a. Attach a copy of student scholarship selection method, criteria, and guidelines. Check here if you are a Dollars for Scholars affiliate and follow their selection guidelines. 						
10	Attach copies of bank statements April 1, 2004. Include documenta fundraising activities described in	ation for both beginning and ending				
11.	. Attach: (1) official by-laws; (2) lie exemption letter or WDS tax-exem	st of the board members' addresses aption letter; and (4) copy of student				
12	religion, national origin, or the pr	ned herein is true and correct to the cholarships without regard to age, sesence of any mental, sensory, or pd, my organization will complete the	ex, ma hysica	rital st l hand	tatus, race, creed, color, licaps. I further certify	
	Signature of Designated Board C	Official	Title			
	Printed Name					
	Phone		Date			

7. Fundraising activities: List major activities conducted after April 1, 2004, by which your

Send completed application packet to: Community Scholarship Matching Grant Program, Higher Education Coordinating Board 917 Lakeridge Way / P.O. Box 43430 Olympia, WA 98504-3430